

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED

SEP 3 - 1980

DOCKETED
SEP 5 1980

H. STUART CUNNINGHAM
At _____ o'clock
CLERK

BALLY MANUFACTURING CORPORATION,
Plaintiff,

v.

D. GOTTLIEB & CO.,
WILLIAMS ELECTRONICS, INC.
and
ROCKWELL INTERNATIONAL CORPORATION,
Defendants.

CIVIL ACTION

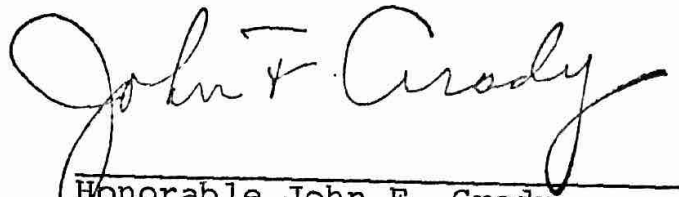
NO. 78 C 2246

STIPULATION

It is hereby stipulated by the parties to this action, this Honorable Court consenting, that the defendants may depose Dr. Phil T. Tai, 2320 Walsh Avenue, Santa Clara, California, and plaintiff may depose Raymond Holt, 4603 Park Milford Place, San Jose, California, the Holt deposition being limited to the factual matters set forth in the Tai Affidavit filed with the United States Patent and Trademark Office in connection with the application for reissue of the patent in suit. A copy of the Affidavit is attached to this Stipulation.

This Stipulation is being filed by the parties, and the Court's consent is being sought, because discovery in this matter has been closed.

APPROVED:



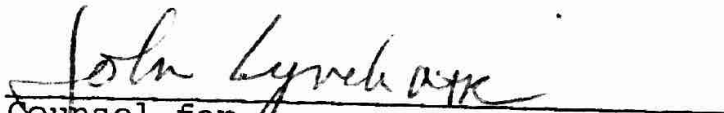
Honorable John F. Grady
Judge, U.S. District Court

SEP 3 1980

AGREED TO:



Counsel for
Bally Manufacturing Corporation



Counsel for
D. Gottlieb & Co. and
Rockwell International Corporation



Counsel for
Williams Electronics, Inc.

AFFIDAVIT OF DR. PHIL T. TAI

Dr. Phil T. Tai, being duly sworn, deposes and states as follows:

1. I am currently the President of American Semiconductor, Incorporated located in Santa Clara, California.

2. I was Manager of Engineering for Intel Incorporated during the years of 1972 through 1974, which at that time was located in Santa Clara, California.


3. As Manager of Engineering at Intel I was generally in charge of all engineering efforts relating to the design and development of microprocessor chips.

4. Also, as Manager of Engineering my duties included cooperating with the marketing and sales employees at Intel by traveling to potential customers of Intel to answer the customers questions regarding the operation of Intel microprocessors generally and the use of Intel microprocessors in the specific application of the customers.

5. In performance of my duties as an Intel employee, on several occasions, including during late 1973 and 1974, I visited one Jeffrey Frederiksen in Milwaukee, Wisconsin, and had several conversations with him.

6. During one of these conversations with Jeffrey Frederiksen in late 1973, he discussed with me his concept of using a microprocessor in various game applications including for the control of a pinball machine.

7. At that time I understood Mr. Frederiksen's concept included the idea of utilizing a matrix-multiplexing



1 technique with a microprocessor to interact with the lamps,
2 switches and digital display of a pinball machine.

3 8. During a conversation with Jeffrey Frederiksen
4 in late 1973 or 1974 we had a discussion about the potential
5 problems of Mr. Frederiksen's proposal of actuating the
6 incandescent lamps of a pinball machine using a matrix-
7 multiplexing technique, and I expressed concern to Mr.
8 Frederiksen about whether incandescent lamps could withstand
9 the high current necessary to use this technique.

10 9. In mid 1974 during a visit with Jeffrey
11 Frederiksen in Milwaukee, I observed an electromechanical
12 pinball machine and had a conversation with Mr. Frederiksen
13 wherein he discussed with me how he proposed to convert the
14 pinball machine to a solid-state game using an Intel
15 microprocessor and his proposed matrix-multiplexing technique.

16 10. Some time after the meeting where I first
17 observed the electromechanical pinball machine while
18 visiting Jeffrey Frederiksen in Milwaukee, Wisconsin, and
19 while on another visit to Jeffrey Frederiksen in Milwaukee in
20 1974, I was shown by Mr. Frederiksen two identical operational
21 pinball machines, one which I observed was a standard
22 electromechanical pinball machine, and one which I observed
23 was a standard electromechanical pinball machine converted to
24 operate under the control of an Intel microprocessor.

25 11. One of my functions as Manager of Engineering
26 at Intel between the years of 1973 through 1974 was to set up
27 and manage an educational group at Intel which function was to
28 hold seminars throughout the United States concerning the

1 operation of Intel microprocessors generally and the use
2 of Intel microprocessors in various applications.

3 12. Raymond Holt was part of this group of people
4 hired by Intel to teach the said aforementioned seminars during
5 the years of 1973 and 1974.

6 13. In my capacity at Intel as Manager of Engineering
7 and being in charge of the seminar groups in 1973 and 1974, I
8 had close contact with Mr. Holt in determining what subject
9 matter would be taught by him in the seminars.

10 14. In my conversation with Mr. Holt concerning
11 the courses that he taught in 1973 and 1974 for Intel I had
12 a practice of discussing with him the proposed applications
13 of Intel microprocessors which I had learned about through my
14 visits to various companies and my contacts with the marketing
15 and sales employees of Intel during the years 1973 and 1974.

16 15. Although I had a practice of not disclosing the
17 names of companies which I believed were considering the use
18 of a microprocessor for a certain application, I did discuss
19 with Mr. Holt in general terms these applications without
20 disclosing the names of the companies.

21 16. During the years 1973 and 1974 when Raymond
22 Holt was teaching seminars for Intel I believe I discussed with
23 him the fact that there was a company which was designing a
24 pinball machine which used an Intel microprocessor and which
25 used a matrix-multiplexing technique to interact with the
26 switches, lamps and displays.

27 //

28 //



17. The company I was referring to was the company
Jeffrey Frederiksen worked for in Milwaukee, Wisconsin, even
though I probably did not mention the name to Mr. Holt.

August 1, 1980.

Philip T. Tai
Dr. Phil T. Tai

COUNTY OF SANTA CLARA)
STATE OF CALIFORNIA) ss

Subscribed and sworn to before me this 1ST day
of AUGUST, 1980.

S. Minardi
Notary Public

My Commission Expires: MARCH 25, 1983

